

# UNITED STATES RAILWAY LEASING CO.

A SUBSIDIARY OF  EVANS PRODUCTS COMPANY

TRANSPORTATION SYSTEMS & INDUSTRIAL GROUP

2200 EAST DEVON AVENUE, DES PLAINES, ILLINOIS 60018 (312) 297-3200

September 26, 1977

RECORDATION NO. 9019 Filed & Recorded

OCT 3 1977 - 9 45 AM

INTERSTATE COMMERCE COMMISSION

Secretary,  
Interstate Commerce Commission  
Office of the Secretary  
Washington, D. C. 20423

Re: Lease entered into the 9th day of August, 1977 between United States Railway Leasing Company and the Delaware Otsego Equipment Corporation

Madame:

Pursuant to Section 20c of the Interstate Commerce Act and to the Commission's Rules and Regulations, thereunder, as amended, we are enclosing for filing and recording four fully executed Counterparts of the above mentioned lease:

Lessor

United States Railway Leasing Company  
2200 East Devon Avenue  
Des Plaines, Illinois 60018

Lessee

Delaware, Otsego Equipment Corporation  
One Railroad Avenue  
Cooperstown, New York 13326

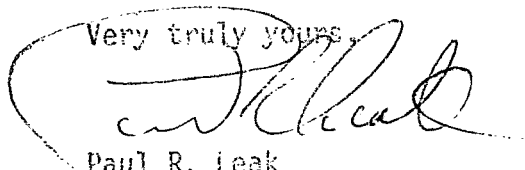
The equipment covered by the enclosed documents consists of three (3) 52' 5", 70-ton Side Slider, LUType Box Car

and bearing the following reporting numbers and marks: FJG 29024 - 29026, Inclusive.

The above equipment will be lettered United States Railway Leasing Co., USLX, or in some other appropriate manner, and will also be marked, "Property of United States Railway Leasing Co., Owner and Lessor."

Also enclosed is the Lessor's check in the amount of \$50, representing the recordation fee as required by Section 57.3 of the Rules and Regulations. Upon recordation, kindly return the originals to the undersigned at the letterhead address.

Very truly yours,

  
Paul R. Leak  
Vice President & Controller

7-2761013

PRL:jp  
Encl. - 3 leases/ 1 check

cc: Information Center

Lot # 1523

Date OCT 3 1977  
Fee \$ 50

CC Washington, D



NO RECORDATION FEE  
OCT 3 1977  
FEE \$ 50

APR 10 1979 -3 45 PM

INTERSTATE COMMERCE COMMISSION

## SCHEDULE II

## ASSIGNMENT OF LEASE

WHEREAS, UNITED STATES RAILWAY LEASING COMPANY, a corporation of the State of Illinois (hereinafter referred to as "United"), and Delaware Otsego Equipment Corporation (said lessee together with any party claiming by, through or under said lessee being hereinafter referred to as "Lessee"), have entered into a lease dated August 9, 1977 (said lease as may be amended from time to time being hereinafter called the "Lease"), providing for the lease by United to the Lessee of certain railroad cars therein described (hereinafter referred to as the "Cars"); and

WHEREAS, the Lease was recorded pursuant to the provisions of Section 20c of the Interstate Commerce Act, as amended, and assigned recordation number 9019 ; and

WHEREAS, CHEMICAL BANK (hereinafter referred to as "Lender") is the mortgagee under a certain Chattel Mortgage ("Security Agreement") dated as of August 1, 1976 securing the loan of certain monies to United evidenced by United's note and United has agreed to assign all of its right, title and interest in and to the Lease to Lender as additional security for the note all as set forth in the Security Agreement.

Now, THEREFORE, for value received and upon the terms and conditions hereinafter set forth:

1. United does hereby sell, assign, transfer and set over to Lender all of its right, title and interest in and to the Lease, including the rentals and all other amounts payable by the Lessee or any other person, firm or corporation with respect to the Cars or under the Lease, except that any amount so payable shall continue to be payable to United until and unless Lender or its successors or United shall notify the Lessee or any successor to its interest that an event of default has occurred under the terms and provisions of the Security Agreement and that payments are thereafter to be made to Lender, or its successors, United agreeing that Lender shall have, upon the occurrence of an event of default as aforesaid, the right and power to give any and all notices to the Lessee in the name of United; and in furtherance of this Assignment and transfer, United does hereby authorize and empower Lender in the event of notice of a default as aforesaid, in its own name to sue for, collect, receive and enforce all payments to be made

to United by the Lessee under and in compliance on the part of the Lessee with the terms and provisions of the Lease, to exercise all of the rights of United under any of the provisions of the Lease, and in its discretion to take any action under the Lease or with respect to the Cars as United could have taken thereunder if it had not assigned and transferred its rights therein, provided that nothing herein shall obligate Lender to take any action under the Lease or in respect of the Cars.

2. United warrants and covenants (a) that on the date hereof title to the Cars and the Lease (subject to this Assignment and the rights of the Lessee under the Lease) is vested in United, that it has good and lawful right to sell and assign the same as provided in the Security Agreement and herein and that its right and title therein is free from all liens and encumbrances, subject, however, in each case to the rights of the Lessee under the Lease and to the rights of the assignee hereunder; and (b) that notwithstanding this Assignment, it will perform and comply with each and all of the covenants and conditions in the Lease set forth to be complied with by United and will defend and pay all costs, expenses and judgments incurred or suffered by it or Lender in any actions brought against United under the Lease by Lessee or in any actions brought by Lender pursuant to this Assignment. United will cause notice of this Assignment forthwith to be given to the Lessee (together with a copy of this Assignment).

3. United represents and warrants that the Lease has been duly authorized and executed by it and covenants that it will, from time to time, at the request of Lender, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as Lender may reasonably request to give effect to the provisions hereof and to confirm the right, title and interest hereby assigned and transferred to Lender or intended so to be.

4. So long as United is not in default under the Security Agreement, United shall have the right without the prior consent of Lender to terminate, modify or accept a surrender of and settle, adjust, compound and compromise any claim against any Lessee under any Lease or offer or agree to any termination, modification or surrender of and settle, adjust, compound and compromise any claim against any Lessee under any Lease, provided that any such agreement shall be made in good faith with consideration to Mortgagee's position by United in an arm's length transaction with the Lessee.

5. Upon full discharge and satisfaction of all indebtedness secured by the Security Agreement, the assignment made hereby shall terminate and all estate, right, title and interest of Lender in and to the Lease shall cease and revert to United. Lender agrees that upon satisfaction of the indebtedness as aforesaid it will execute and deliver to United a release or reassignment of its interest hereunder as United may request.

6. The assignment made hereby is intended only as security and therefore the execution and delivery hereof shall not subject Lender to, or transfer, pass or in any way affect or modify, the undertakings or liability of United under the Lease, it being understood and agreed that notwithstanding this or any subsequent assignment, all obligations and liability of United to Lessee shall be and remain enforceable by Lessee, its successors and assigns, against and only against United.

7. This Assignment shall be construed in accordance with and shall be governed by the laws of the State of Illinois.

IN WITNESS WHEREOF, United has caused this instrument to be executed by its proper officers thereunto duly authorized and its corporate seal to be hereunto affixed, as of the ~~29th~~ day of August, 1978

UNITED STATES RAILWAY  
LEASING COMPANY

By

  
Vice President

ATTEST:

  
Assistant Secretary

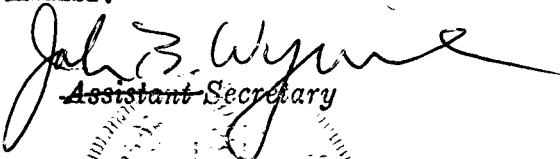
ACCEPTED:

CHEMICAL BANK

By

  
Vice President

ATTEST:

  
Assistant Secretary

STATE OF ILLINOIS }  
COUNTY OF COOK } ss

On this 20th day of August, 1978, before me personally appeared Paul R. Leck and R. E. Deering, to me personally known, who being by me duly sworn, say that they are, respectively, the Vice President and Assistant Secretary of UNITED STATES RAILWAY LEASING COMPANY, an Illinois corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[SEAL]

James Purdy  
Notary Public

My commission expires: 4-22-81

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss

On this 27th day of December, 1978, before me personally appeared Paul Fitzgerald and John B. Wynne, to me personally known, who being by me duly sworn, say that they are, respectively, a Vice President and ~~Assistant~~ Secretary of CHEMICAL BANK, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[SEAL]

Notary Public  
Sylvia Radner

My commission expires:

- SUPPL. LA. 001  
Notary Public, State of New York  
No. 30-7401525  
Qualified in Nassau County  
Commission Expires March 30, 1980